

FY 2000-01 BUDGET

BUDGET SECTION SUMMARY

Section Title:

SONOMA VALLEY COUNTY SANITATION DISTRICT

A. Program Description

This budget finances operation, maintenance, and administration of a collection system, lift stations, a treatment plant, and disposal facilities which serve the Sonoma Valley County Sanitation District (CSD). The District includes the City of Sonoma, as well as the communities of Boyes Hot Springs, Agua Caliente, El Verano and Glen Ellen. The Sonoma Developmental Center is outside the District, but is served by agreement.

B. Financial Summary

Section	GROSS EXPENDITURES			NET COST/USE OF FUND BALANCE		
	FY 99-00 Adopted	FY 00-01 Requested	Percent Change	FY 99-00 Adopted	FY 00-01 Requested	Percent Change
Operations	\$7,742,700	\$7,747,584	0.06%	\$1,949,731	\$1,722,286	(11.67%)
Revenue Bonds	0	858	N/A	(1,215)	858	(170.62%)
Construction	17,187,600	11,223,300	(34.70%)	1,854,600	2,088,000	12.58%
EPA	0	0	N/A	0	0	N/A
Outfall Line	17,320	16,440	(5.08%)	(32,680)	(33,560)	2.69%
Glen Ellen Bonds	10,050	9,650	(3.98%)	(6,460)	(6,860)	6.19%
1998 Rev Bonds	15,665,957	9,861,259	(37.05%)	13,725,957	7,955,759	(42.04%)
TOTAL:	\$40,623,627	\$28,859,091	(28.96%)	\$17,489,933	\$11,726,483	(32.95%)

C. Staffing Summary

No staffing is allocated to this index.

D. Workload Summary

Workload Indicator	FY 98-99 Actual	FY 99-00 Budget Estimate	FY 99-00 Revised Estimate	FY 00-01 Projected	Change from FY 99-00 Budget Estimate
TOTAL ESDs	16,016	15,759	15,224	15,473	(1.81%)
TOTAL APNs	10,542	10,548	10,704	10,750	1.92%

E. Summary of Issues and Significant Changes

The requested rate per ESD for FY 00-01 annual service charges is \$377, representing a 5.6% increase from FY 99-00. Annual sewer service charge revenue collected on the tax roll (adjusted for the anticipated number of ESDs and an estimated delinquency factor) is projected to be higher than the FY 99-00 budget. This revenue change is due to the fact that projected ESDs for FY 00-01 are higher than the adopted FY 99-00 budget estimate.

The Sonoma Valley CSD provides sewage collection, treatment, and disposal service to the Sonoma Valley area. Wastewater is collected by gravity system and flows to the Sonoma Valley CSD treatment plant for processing. Reclaimed water is discharged to the San Pablo Bay via Schell Slough during the winter and by irrigation of local crops during the summer. The Sonoma Valley CSD treatment plant is designed to treat an average daily dry weather flow of up to 3.0 million gallons per day to secondary wastewater treatment standards.

E. Summary of Issues and Significant Changes (Continued)

In the past, the treatment plant has experienced numerous operational difficulties due to high wet weather inflows, worn out and obsolete equipment, and insufficient storage and disposal capacity in the reclamation system. In November 1997, the Sonoma Valley CSD received an Administrative Civil Liability order from the San Francisco Bay Regional Water Quality Control Board in response to permit violations. The Sonoma Valley CSD responded by accelerating as much as possible the time frame for completion of projects needed to correct the cause of the violations.

The Sonoma Valley CSD reclamation system requires an additional 650 acre-feet of storage to mitigate a shortage of storage and disposal capability identified during the Clean Water Act grant in 1995. The Sonoma Valley CSD released a Final Environmental Impact Report for the Effluent Storage Project in December 1997, and in January 1998, the Sonoma Valley CSD Board of Directors approved a reservoir project of up to 473 acre-feet on the former Overland Flow Site. Reservoir design is being performed by a consultant. Construction is expected to begin in FY 01-02.

A 1994 study of the collection system showed that approximately 10 of the 120 miles of Sonoma Valley CSD pipeline needs to be repaired or replaced due to deterioration or insufficient capacity. The Sonoma Valley CSD is implementing a 10 year, \$30,000,000 program for repairs or replacements within the collection system. During FY 99-00, two collection system projects are expected to be nearly completed (France Street and Solano Avenue) and one project is expected to be started (Fifth Street West/East Napa/East MacArthur).

The Sonoma Valley CSD is currently working on a wet weather overflow prevention study in order to comply with the Notice of Violation regarding sewer system overflows it received in April, 1999. The findings of this two-year study will be used by the San Francisco Bay Regional Water Quality Control Board to determine the appropriate level of water quality protection required for water bodies potentially affected by Sonoma Valley CSD sewer system overflows. The study will also identify those areas within the Sonoma Valley CSD collection system where repair and/or replacement projects are the most needed and cost effective.

The Sonoma Valley CSD has completed a substantial number of repairs and improvements in the last three fiscal years, and has plans to complete a number of significant projects in FY 00-01 to address remaining deficiencies. A total of \$11,223,300 is requested in FY 00-01 for the following capital projects: aeration system phase 3 (\$510,000); treatment plant instrumentation upgrade (\$50,000); clarifier upgrade/replacement (\$50,000); plant capacity upgrades (\$380,000); monitoring manholes (\$500,000); Fifth Street West/East Napa/East MacArthur collection system replacement (\$4,027,300); ponds R1 and R2 modifications (\$989,000); effluent storage reservoir design and construction (\$3,238,000); emergency generator replacement (\$835,000); and various other projects (\$644,000).

The Sonoma Valley CSD's capital program expenditures increased substantially in FY 98-99 and are expected to remain high for at least the next few years. Financing was necessary to complete the extensive amount of capital work required; therefore, a \$21,410,000 revenue bond issue was completed in August of 1998.

In January 2000, Agency staff held a Sanitation Workshop presenting a summary of operational and regulatory issues associated with sanitation systems operated by the Agency, providing information regarding past operational practices, changes in the regulatory environment, the estimated cost of sanitation services, and strategies for addressing current and future operational issues. Three levels of service and their costs were identified for each of the sanitation systems and are described below.

Minimum Level of Service: Includes services necessary for the protection of public health, employee safety, and public safety.

E. Summary of Issues and Significant Changes (Continued)

Standard Level of Service: Includes services necessary to operate and maintain the sanitation systems in order to limit or reduce the risk of (1) service interruption and (2) violations of the respective National Pollutant Discharge Elimination System (NPEDS) permit or Waste Discharge Requirements (WDRs) issued by the Regional Boards.

Asset Preservation Level of Service: Includes services and programs necessary to (1) operate, maintain and replace facilities and equipment within the sanitation systems in order to preserve the system's assets, (2) provide a beneficial impact on the quality of life in the community, and (3) provide economic savings to the ratepayers through optimizing life cycle costs.

Estimated operating revenues in FY 00-01 nearly provides sufficient funding for an Asset Preservation Level of Service.

F. Summary of Reduction Options

No reduction options are proposed.

G. Attachments

- Summary of Revenues and Expenditures
- Character Justification
- Statement of Special Fund Activity

FY 2000-01 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Section Title: SONOMA VALLEY CSD - OPERATIONS
Section/Index No: 653105

Sub-Object No. and Title	Adopted 1999-00	Requested 2000-01	Difference	Percent Change
REVENUES:				
<u>TAXES</u>				
1001 Flat Charges - CY	\$4,747,700	\$5,014,764	\$267,064	5.63%
1061 Flat Charges - PY	120,000	120,000	0	0.00%
1120 Penalties / Costs on Taxes	20,000	20,000	0	0.00%
Subtotal Taxes	\$4,887,700	\$5,154,764	\$267,064	5.46%
<u>USE OF MONEY</u>				
1700 Interest on Pooled Cash	\$108,000	\$110,000	\$2,000	1.85%
Subtotal Use of Money	\$108,000	\$110,000	\$2,000	1.85%
<u>CHARGES FOR SERVICES</u>				
3400 Sanitation Services	\$577,269	\$609,609	\$32,340	5.60%
3403 Indus. Users Mon/Dischg	20,000	20,000	0	0.00%
3404 Septic Charges	200,000	130,000	(70,000)	(35.00%)
Subtotal Charges for Services	\$797,269	\$759,609	(\$37,660)	(4.72%)
<u>RESIDUAL EQUITY TRANSFERS IN</u>				
4865 RET - Within Sp Dist - BOS	\$0	\$925	\$925	N/A
Subtotal RET's In	\$0	\$925	\$925	N/A
TOTAL REVENUES	\$5,792,969	\$6,025,298	\$232,329	4.01%

EXPENDITURES:

SERVICES AND SUPPLIES

6040 Communications	\$8,500	\$8,500	\$0	0.00%
6180 Maintenance - Bldgs / Impr	275,000	250,000	(25,000)	(9.09%)
6262 Lab Supplies	16,000	25,000	9,000	56.25%
6521 County Services	0	0	0	N/A
6522 District Services	2,350,000	2,600,000	250,000	10.64%
6570 Consultant Services	525,000	600,000	75,000	14.29%
6573 Administration Costs	48,000	50,000	2,000	4.17%
6610 Legal Services	50,000	150,000	100,000	200.00%
6630 Audit / Accounting Services	29,800	31,084	1,284	4.31%
7201 Gas / Oil	4,000	4,000	0	0.00%
7212 Chemicals	160,000	130,000	(30,000)	(18.75%)
7217 State Permits / Fees	23,000	160,000	137,000	595.65%
7247 Water Conservation	15,000	15,000	0	0.00%
7250 Reimbursable Projects	20,000	20,000	0	0.00%
7320 Utilities	425,000	404,000	(21,000)	(4.94%)
Subtotal Services and Supplies	\$3,949,300	\$4,447,584	\$498,284	12.62%

SUMMARY OF REVENUES AND EXPENDITURES

Index No.: 653105

Sub-Object No. and Title	Adopted 1999-00	Requested 2000-01	Difference	Percent Change
<u>OTHER CHARGES</u>				
7930 Interest - LT Debt	\$0	\$0	\$0	N/A
7970 Taxes / Assessments	3,400	0	(3,400)	(100.00%)
7980 Depreciation	1,500,000	1,500,000	0	0.00%
8090 Loss on Fixed Assets	0	0	0	N/A
Subtotal Other Charges	\$1,503,400	\$1,500,000	(\$3,400)	(0.23%)
<u>FIXED ASSETS</u>				
8510 Buildings / Improvements	\$65,000	\$0	(\$65,000)	(100.00%)
8560 Equipment	\$25,000	\$0	(\$25,000)	(100.00%)
Subtotal Fixed Assets	\$90,000	\$0	(\$90,000)	(100.00%)
<u>OTHER FINANCING USES</u>				
8625 OT - W/in Special Dist - BOS	\$2,000,000	\$1,600,000	(\$400,000)	(20.00%)
Subtotal Other Financing Uses	\$2,000,000	\$1,600,000	(\$400,000)	(20.00%)
<u>APPROPRIATIONS FOR CONT</u>				
9000 Approp for Contingencies	\$200,000	\$200,000	\$0	0.00%
Subtotal Approp for Contingencies	\$200,000	\$200,000	\$0	0.00%
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
9200 Ent - Principal	\$0	\$0	\$0	N/A
9209 Ent - Principal Clearing	0	0	0	N/A
9210 Advances	0	0	0	N/A
9219 Advances - Clearing	0	0	0	N/A
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$7,742,700	\$7,747,584	\$4,884	0.06%
<u>TOTAL NET COST</u>				
<i>(Expenditures Minus Revenues)</i>	\$1,949,731	\$1,722,286	(\$227,445)	(11.67%)

FY 2000-01 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Section Title: SONOMA VALLEY CSD - REVENUE BONDS

Section/Index No: 653204

Sub-Object No. and Title	Adopted 1999-00	Requested 2000-01	Difference	Percent Change
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REVENUES:

USE OF MONEY

1700 Interest on Pooled Cash	\$1,215	\$0	(\$1,215)	(100.00%)
Subtotal Use of Money	\$1,215	\$0	(\$1,215)	(100.00%)

Other Financing Sources

4625 OT - W/in Special Dist - BOS	\$0	\$0	\$0	N/A
Subtotal Other Financing Sources	\$0	\$0	\$0	N/A

TOTAL REVENUES	\$1,215	\$0	(\$1,215)	(100.00%)
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EXPENDITURES:

SERVICES AND SUPPLIES

6635 Fiscal Agent Fees	\$0	\$0	\$0	N/A
Subtotal Services and Supplies	\$0	\$0	\$0	N/A

OTHER CHARGES

7920 Interest	\$0	\$0	\$0	N/A
Subtotal Other Charges	\$0	\$0	\$0	N/A

RESIDUAL EQUITY TRANSFERS OUT

8865 RET - Within Sp Dist - BOS	\$0	\$858	\$858	N/A
Subtotal Residual Equity Transfers	\$0	\$858	\$858	N/A

ADMINISTRATIVE CONTROL ACCOUNT

9200 Ent - Principal	\$0	\$0	\$0	N/A
9209 Ent - Principal Clearing	0	0	0	N/A
Subtotal Administrative Control	\$0	\$0	\$0	N/A

TOTAL EXPENDITURES	\$0	\$858	\$858	N/A
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TOTAL NET COST (Expenditures Minus Revenues)	(\$1,215)	\$858	\$2,073	(170.62%)
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FY 2000-01 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Section Title: SONOMA VALLEY CSD - CONSTRUCTION

Section/Index No: 653303

Sub-Object No. and Title	Adopted 1999-00	Requested 2000-01	Difference	Percent Change
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REVENUES:

USE OF MONEY

1700 Interest on Pooled Cash	\$225,000	\$225,000	\$0	0.00%
Subtotal Use of Money	\$225,000	\$225,000	\$0	0.00%

ADMINISTRATIVE CONTROL ACCOUNT

4210 Advances	\$0	\$0	\$0	N/A
4219 Advances - Clearing	0	0	0	N/A
Subtotal Administrative Control	\$0	\$0	\$0	N/A

OTHER FINANCING SOURCES

4625 OT - W/in Special Dist - BOS	\$15,108,000	\$8,910,300	(\$6,197,700)	(41.02%)
Subtotal Other Financing Sources	\$15,108,000	\$8,910,300	(\$6,197,700)	(41.02%)

TOTAL REVENUES	\$15,333,000	\$9,135,300	(\$6,197,700)	(40.42%)
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EXPENDITURES:

FIXED ASSETS

8500 Land	\$38,000	\$0	(\$38,000)	(100.00%)
8510 Building / Improvement	4,005,600	2,088,000	(1,917,600)	(47.87%)
9142 Capital Replacement Program	7,534,000	4,908,300	(2,625,700)	(34.85%)
9143 Corrective Work	5,610,000	4,227,000	(1,383,000)	(24.65%)
Subtotal Fixed Assets	\$17,187,600	\$11,223,300	(\$5,964,300)	(34.70%)

TOTAL EXPENDITURES	\$17,187,600	\$11,223,300	(\$5,964,300)	(34.70%)
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TOTAL NET COST	\$1,854,600	\$2,088,000	\$233,400	12.58%
<i>(Expenditures Minus Revenues)</i>				

FY 2000-01 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Section Title: SONOMA VALLEY CSD - OUTFALL LINE

Section/Index No: 653337

Sub-Object No. and Title	Adopted 1999-00	Requested 2000-01	Difference	Percent Change
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REVENUES:

USE OF MONEY

1700 Interest on Pooled Cash	\$0	\$0	\$0	N/A
Subtotal Use of Money	\$0	\$0	\$0	N/A

OTHER FINANCING SOURCES

4625 OT - W/in Special District - BOS	\$50,000	\$50,000	\$0	0.00%
Subtotal Other Financing Sources	\$50,000	\$50,000	\$0	0.00%

TOTAL REVENUES	\$50,000	\$50,000	\$0	0.00%
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EXPENDITURES:

OTHER CHARGES

7930 Interest - LT Debt	\$17,320	\$16,440	(\$880)	(5.08%)
Subtotal Other Charges	\$17,320	\$16,440	(\$880)	(5.08%)

ADMINISTRATIVE CONTROL ACCOUNT

9210 Advances	\$32,600	\$33,460	\$860	2.64%
9219 Advances - Clearing	(32,600)	(33,460)	(860)	2.64%
Subtotal Administrative Control	\$0	\$0	\$0	N/A

TOTAL EXPENDITURES	\$17,320	\$16,440	(\$880)	(5.08%)
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TOTAL NET COST (Expenditures Minus Revenues)	(\$32,680)	(\$33,560)	(\$880)	2.69%
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FY 2000-01 BUDGET

SUMMARY OF REVENUES AND EXPENDITURES

Section Title: SONOMA VALLEY - GLEN ELLEN BONDS
Section/Index No: 653345

Sub-Object No. and Title	Adopted 1999-00	Requested 2000-01	Difference	Percent Change
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REVENUES:

TAXES

1000 Prop Taxes - CY Secured	\$15,600	\$15,600	\$0	0.00%
1020 Prop Taxes - CY Supplemental	150	150	0	0.00%
1040 Prop Taxes - CY Unsecured	400	400	0	0.00%
1060 Prop Taxes - PY Secured	0	0	0	N/A
Subtotal Taxes	\$16,150	\$16,150	\$0	0.00%

USE OF MONEY

1700 Interest on Pooled Cash	\$360	\$360	\$0	0.00%
Subtotal Use of Money	\$360	\$360	\$0	0.00%

INTERGOVERNMENTAL REVENUES

2440 St - HOPTR	\$0	\$0	\$0	N/A
Subtotal Intergovernmental Revenues	\$0	\$0	\$0	N/A

TOTAL REVENUES	\$16,510	\$16,510	\$0	0.00%
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EXPENDITURES:

SERVICES AND SUPPLIES

6635 Fiscal Agent Fees	\$200	\$200	\$0	0.00%
Subtotal Services and Supplies	\$200	\$200	\$0	0.00%

OTHER CHARGES

7920 Interest	\$9,850	\$9,450	(\$400)	(4.06%)
7980 Depreciation	0	0	0	N/A
Subtotal Other Charges	\$9,850	\$9,450	(\$400)	(4.06%)

ADMINISTRATIVE CONTROL ACCOUNT

9200 Ent - Principal	\$8,000	\$8,000	\$0	0.00%
9209 Ent - Principal Clearing	(8,000)	(8,000)	0	0.00%
Subtotal Administrative Control	\$0	\$0	\$0	N/A

TOTAL EXPENDITURES	\$10,050	\$9,650	(\$400)	(3.98%)
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TOTAL NET COST (Expenditures Minus Revenues)	(\$6,460)	(\$6,860)	(\$400)	6.19%
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FY 2000-01 BUDGET

SUMMARY OF REVENUES AND EXPENDITURES

Section Title: SONOMA VALLEY CSD - 1998 REVENUE BONDS

Section/Index No: 653352

Sub-Object No. and Title	Adopted 1999-00	Requested 2000-01	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
1700 Interest Income	\$0	\$5,500	\$5,500	N/A
1701 Interest Earned	450,000	400,000	(50,000)	(11.11%)
Subtotal Use of Money	\$450,000	\$405,500	(\$50,000)	(11.11%)
<u>ADMINISTRATIVE CONTROL</u>				
4200 Ent-LTD Proceeds	\$0	\$0	\$0	N/A
4209 Ent-LTD Proceeds - Clearing	0	0	0	N/A
Subtotal Use of Money	\$0	\$0	\$0	N/A
<u>Other Financing Sources</u>				
4625 OT - W/in Special Dist - BOS	\$1,490,000	\$1,500,000	\$10,000	0.67%
Subtotal Other Financing Sources	\$1,490,000	\$1,500,000	\$10,000	0.67%
TOTAL REVENUES	\$1,940,000	\$1,905,500	(\$40,000)	(2.06%)
EXPENDITURES:				
<u>SERVICES AND SUPPLIES</u>				
6500 Prof/Special Services	\$0	\$0	\$0	N/A
6635 Fiscal Agent Fees	\$0	\$3,000	\$3,000	N/A
6640 Debt Issuance Costs	\$14,650	\$14,650	\$0	0.00%
Subtotal Services and Supplies	\$14,650	\$17,650	\$3,000	20.48%
<u>OTHER CHARGES</u>				
7920 Interest	\$986,593	\$966,595	(\$19,998)	(2.03%)
7923 Discount/Bonds	\$16,714	\$16,714	\$0	0.00%
Subtotal Other Charges	\$1,003,307	\$983,309	(\$19,998)	(1.99%)
<u>OTHER FINANCING USES</u>				
8625 OT - Within a Fund	14,648,000	8,860,300	(\$5,787,700)	(39.51%)
Subtotal Other Financing Uses	\$14,648,000	\$8,860,300	(\$5,787,700)	(39.51%)
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
9200 Ent - Principal	\$500,000	\$500,000	\$0	0.00%
9209 Ent - Principal Clearing	(500,000)	(500,000)	0	0.00%
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$15,665,957	\$9,861,259	(\$5,804,698)	(37.05%)
TOTAL NET COST (Expenditures Minus Revenues)	\$13,725,957	\$7,955,759	(\$5,764,698)	(42.00%)

FY 2000-01 BUDGET

SUMMARY OF REVENUES AND EXPENDITURES

Section Title: SONOMA VALLEY CSD - BONDS #3

Section/Index No: 653238

Sub-Object No. and Title	Adopted 1999-00	Requested 2000-01	Difference	Percent Change
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EXPENDITURES:

RESIDUAL EQUITY TRANSFERS OUT

8865 RET - Within Sp Dist - BOS	\$0	\$67	\$67	N/A
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Subtotal Residual Equity Transfers

\$0	\$67	\$67	N/A
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TOTAL EXPENDITURES

\$0	\$67	\$67	N/A
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TOTAL NET COST

(Expenditures Minus Revenues)

\$0	\$67	\$67	N/A
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FY 2000-01 BUDGET

CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sonoma Valley CSD - Operations

Character Title: Taxes

Character No.: 653105-10

1001 Flat Charges - CY

Flat charge revenue from annual service charges is expected to increase from the adopted FY 99-00 budget. The rate will increase 5.6%, from \$357 to \$377 and the number of ESDs charged on the tax roll is expected to increase from 13,853 budgeted in FY 99-00 to 13,856 for FY 00-01.

ESDs times annual rate:	13,856 x \$377	\$5,223,712
Less Estimated Delinquency Factor:	4%	(208,948)
		\$5,014,764

1061 Flat Charges - PY

This item records the estimated delinquent amount of prior years sewer service charges.

1120 Penalties / Costs on Taxes

This item records penalties paid on delinquent sewer service charges.

Character Title: Use of Money

Character No.: 653105-17

1700 Interest on Pooled Cash

This account records interest on pooled cash held for the District by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	\$2,400,000
Projected Interest Rate	5.00%
	\$110,000

Character Title: Charges for Services

Character No.: 653105-30

3400 Sanitation Services

This account records annual sewer service charges for entities that are invoiced, rather than collected as flat charges on the tax roll, and for new hook-ups as they occur during the year. The Sanitation Rate Ordinance requires that charges be collected at the time permits are issued. The properties are then added to the tax roll master listing and collected through sub-object 1001, Flat Charges, in the following year. Based on the number of projected FY 00-01 invoiced ESDs, the District will experience an increase in revenue from invoiced entities. This is a result of the increased annual service charge for FY 00-01.

ESDs x Annual Charge 1,617 x \$377 = \$609,609

3403 Indust Users Monitoring/Discharge

This account records revenue associated with the Industrial Users Monitoring program or revenue received from any industrial user for events such as an unauthorized (or specially authorized) discharge into the treatment plant. The budgeted amount is expected to offset monitoring expenses anticipated to be incurred primarily by the Agency's Industrial Waste Inspector (see Sub-object 7250, Reimbursable Projects).

FY 2000-01 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sonoma Valley CSD - Operations

Character Title: Charges for Services (continued)

Character No.: 653105-30

3404 Septic Disposal Fee

This account records the revenue to the district for septic haulers using the treatment plant facilities to dispose of septic waste. This revenue is expected to decrease with the addition of the Eighth Street East Sewer Assessment District to the Sonoma Valley CSD. Residents in this area represented a significant portion of septic hauler revenue, which will now be reflected in an increase in sewer service charges.

Character Title: Residual Equity Transfers In

Character No.: 653105-48

4865 RET - Within Sp Dist - BOS

This account will record the transfer of remaining equity from two inactive funds within the Sonoma Valley Section. Funds are to be transferred from the 1979 Revenue Bond Fund, which became inactive upon the defeasance of the bonds during the issuance of the 1998 Revenue Bonds, and from the Bonds #3 fund which has been inactive since FY 95/96.

Character Title: Services and Supplies

Character No.: 653105-60

6040 Communications

This account records expenses paid by the District for outside communication services such as Pacific Bell and AT&T, as well as for the cost of alarm services provided by Honeywell.

6180 Maintenance - Bldgs / Impr

This account records the cost of parts and materials required to maintain the collection system and treatment facilities.

6262 Lab Supplies

This account records the cost of lab supplies required for testing and monitoring wastewater.

6521 County Services

This account was previously intended for charges from the Board of Directors and County Clerk for processing the District's Board agenda items. This expense is no longer directly charged to the District. (It is now included within the Agency's overhead rate.)

6522 District Services

This account records the cost of labor and overhead required for operation and maintenance of the District's facilities and equipment, as well as other related service and supply type items. An increase has been proposed in this account for FY 00-01 due primarily to costs related to the Risk Management Prevention Program, and an additional industrial waste inspector.

6570 Consultant Services

This account records the costs of services provided by outside consultants. For FY 00-01, the District has requested \$600,000 for consultant studies relating to renewal of its NPDES permit. Impending regulations on discharge water quality could present significant compliance problems for the District. The proposed studies are essential if the District is to avoid requirements for costly end-of-pipe treatment facilities. This includes 400,000 for the continuation of a wet weather overflow prevention study required due to a notice of violation issued by the California Regional Water Quality Control Board in April 1999 with regards to sewer systems overflow. The studies budgeted for FY 00-01 will be targeted at assessing water quality and documenting beneficial uses in the receiving water. The results of these studies will be used to justify more achievable effluent limits.

6573 Administration Costs

This account represents the 1% administration fee assessed by the County for processing collection of flat charges on the tax roll.

**FY 2000-01 BUDGET
CHARACTER JUSTIFICATION**

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sonoma Valley CSD - Operations

Character Title: Services and Supplies (continued)

Character No.: 653105-60

6610 Legal Services

This item covers the estimated cost of legal services to be provided by County Counsel, or outside legal services, as required. The District is currently appealing permit and local limits resulting in the increased expenses for FY 00-01.

6630 Audit / Accounting Services

This item represents an estimate from the Auditor's Office for the FY 00-01 expense for the audit of the previous fiscal year (\$4,800, as set forth in the Budget Instructions). In addition, this item records the direct allocation of Auditor-Controller Fiscal Services staff costs for time expected to be spent on District accounting.

7212 Chemicals

This account records the cost of chemicals required for operation of the treatment plant in accordance with the District's NPDES permit (as required by the State Water Quality Control Board). Expenses within this account are expected to increase by 33% due to an increase for pH/Alkalinity addition to meet pH requirements.

7217 State Permits / Fees

This account records the cost of obtaining the District's permits related to NPDES, as mandated by the Regional Water Quality Control Board.

7247 Water Conservation Program

This account records all expenses of the water conservation program, including labor, overhead, and direct service/supply costs to administer the program. Similar costs for administering and implementing the water education program are also included in this account.

7250 Reimbursable Projects

This account records any expenses that are expected to be covered by reimbursement. The budget request is based on projected expenses associated with the Industrial Waste Inspector and the program for monitoring industrial users.

7320 Utilities

This account records the cost of utilities, such as gas, electricity, and water. Power costs have risen sharply this year, primarily because of a 100hp motor that was added to the reclamation system; however, an on-going aeration diffuser project, and other planned improvements, should offset the present increase and result in savings during FY 00-01.

**FY 2000-01 BUDGET
CHARACTER JUSTIFICATION**

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sonoma Valley CSD - Operations

Character Title: Other Charges

Character No.: 653105-75

7970 Taxes / Assessments

This account records property taxes paid by the District to the Sonoma County Tax Collector.

7980 Depreciation

Generally accepted accounting principles require that depreciation be expensed each year. The amount requested covers depreciation for all assets of the Sonoma Valley CSD, which now includes those assets previously recorded under Glen Ellen - CSA No. 41.

Character Title: Other Financing Uses

Character No.: 653105-86

8625 OT - W/in Special Dist - BOS

This account reflects the transfer of cash from the operations fund to the Outfall Line fund and the 1998 Revenue Bond fund to cover principal and interest payments, as well as to the construction fund to finance the capital replacement program. If the operations fund does not have sufficient cash available to finance planned capital projects, the transfer to the construction fund will not be made and any uncompleted projects will be rescheduled and rebudgeted in the next fiscal year.

Transfer to:

Outfall Line Fund	\$ 50,000
1998 Revenue Bond Fund	1,500,000
Construction Fund	50,000
	<hr/>
Total Operating Transfer	\$ 1,600,000

Character Title: Appropriations for Contingencies

Character No.: 653105-90

9000 Appropriations for Contingencies

This account provides funding for unanticipated expenditures or revenue shortfalls.

FY 2000-01 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sonoma Valley CSD - Revenue Bonds

Character Title: Residual Equity Transfers Out

Character No.: 653204-88

8825 RET - Within Sp Dist - BOS

Appropriations within this account will allow for the closing of the Revenue Bond Fund to the Operations Fund. The 1979 Sonoma Valley Revenue Bonds were defeased as part of the issuance of the 1998 Revenue Bond issuance. Requested funds represent the estimated retained earnings balance at fiscal year end 99-00.

FY 2000-01 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sonoma Valley CSD - Construction

Character Title: Use of Money

Character No.: 653303-17

1700 Interest on Pooled Cash

This account records interest on pooled cash held for the District by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	\$5,000,000
Projected Interest Rate	<u>5.00%</u>
Projected/Planned Interest on Pooled Cash	\$225,000

Character Title: Other Financing Sources

Character No.: 653303-46

4625 OT - w/in Special Dist - BOS

This account reflects the transfer of cash from the operations fund to finance the capital replacement program, and from the 1998 Revenue Bond fund to finance qualified expansion projects. If the operations fund does not have sufficient cash available to finance planned capital projects, the transfer will not be made and any uncompleted projects will be rescheduled and rebudgeted in the next fiscal year.

Proposed Operating Transfers FY 00-01

Operations	\$ 50,000
98 Revenue Bond fund	<u>8,860,300</u>
TOTAL	\$ 8,910,300

FY 2000-01 BUDGET

CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sonoma Valley CSD - Construction

Character Title: Fixed Assets **Character No.:** 653303-85

8510 Buildings / Improvements

This account can be used to provide capacity to new users pursuant to the County General Plan (using connection fee revenue), as well as for treatment plant and reclamation system improvement projects.

The following projects are planned for the forthcoming year: (* projects funded by 1998 Revenue Bonds)

		<u>Amount</u>
<u>Aeration System Phase 3*</u>	PCAS No. 3720	\$ 510,000
Requested funding will allow completion of an on-going project to upgrade and replace aeration equipment in aeration basins 1 through 4.		
<u>Electrical Service Upgrade</u>	PCAS No. 3712	380,000
Funds are requested to upgrade electrical service to enable the District to take advantage of lower electrical costs.		
<u>Treatment Plant Control Automation</u>	PCAS No. 3237-3	25,000
The requested funding will allow for continuing upgrades to plant electrical equipment and the remote monitoring and control system.		
<u>Reservoir Telemetry</u>	PCAS No. TBD	75,000
Requested funding will allow for the installation of a telemetry system for privately owned reservoirs being used for the first time in FY 00-01 as part of the reclamation system.		
<u>Sludge Carport</u>	PCAS No. TBD	20,000
Requested funding will allow for the addition of a carport for sludge bins.		
<u>RAS Building Remodel</u>	PCAS No. TBD	10,000
Funding is requested to refurbish the existing Return Activated Sludge building into a storage building.		
<u>Laboratory Remodel</u>	PCAS No. TBD	30,000
Requested funds will enable a remodel of the Laboratory.		
<u>Monitoring Manholes</u>	PCAS No. TBD	500,000
This project will provide for the addition of monitoring manholes within the collection system.		
<u>Motorized Gates</u>	PCAS No. TBD	30,000
This project will provide for the addition of a motorized gate for diverting effluent to the equalization basins at the plant.		
<u>Plant Instrumentation Upgrades</u>	PCAS No. TBD	50,000
This project will provide for upgrades to plant instruments (i.e. dissolved oxygen probes, flow meters, pH meters).		
<u>Clarifier Upgrade / Replacement*</u>	PCAS No. 3521	50,000
The requested funding is expected to cover completion of three new clarifiers and the return activated sludge system.		
<u>Plant Capacity Upgrades</u>	PCAS No. TBD	
Requested funding will provide for various plant capacity upgrade projects including:		
Grit Chamber		100,000
Planning/Engineering Analysis		150,000
Filtration		80,000
Environmental Analysis		50,000
Chemical Scrubbing System		28,000
Subtotal for Buildings / Improvements (Sub-object 8510)		\$ 2,088,000

FY 2000-01 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sonoma Valley CSD - Construction

Character Title: Fixed Assets (continued)

Character No.: 653303-85

9142 Capital Replacement Program

This funding requested in this account is for repair and replacement of the sewer collection system. Long-term replacement of existing facilities that are worn out and in disrepair will help to bring the facilities up to current sanitation standards and will extend the life of the sanitation infrastructure.

Funding will provide for sewer collection system replacement projects for the following areas:		<u>Amount</u>
Fifth St West / East Napa / East MacArthur*	PCAS No. 3709	4,027,300
France Street*	3584	20,000
Solano Avenue*	3585	26,000
Generator Replacement	PCAS No. 3713	835,000
Subtotal for Capital Replacement Program (Sub-object 9142)		\$ 4,908,300

9143 Corrective Work

This account is used for corrective work that came out of the Black and Veatch settlement in FY 95-96. The following active projects will continue into the forthcoming year:

<u>Ponds R1 and R2 Modifications*</u>	PCAS No. 3479	\$ 989,000
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Modifications to both ponds R1 and R2 are required for compliance with Department of Safety of Dams regulations. The necessary engineering design work is currently on-going. Construction activity related to ponds R1 and R2 is planned for FY 00-01.

<u>Effluent Storage Reservoir*</u>	PCAS No. 3493	3,238,000
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The amount requested is expected to allow completion of all design and construction required for: 1) a new treated effluent storage reservoir on the former Overland Flow Facility site in the reclamation system; and 2) 2,700 linear feet of six inch diameter distribution pipeline.

Subtotal for Corrective Work (Sub-object 9143)	\$ 4,227,000
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Grand Total - Character 85	\$ 11,223,300
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FY 2000-01 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sonoma Valley CSD - Outfall Line

Character Title: Use of Money

Character No.: 653337-17

1700 Interest on Pooled Cash

This account records interest on pooled cash held for the District by the County Treasurer's office. No significant cash balance is maintained in this fund. Cash transfers are made from the operations fund to this fund only as necessary to make annual payments due on the long term loan from the State. Accordingly, we do not recommend budgeting any interest revenue during the forthcoming year.

Estimated Average Cash Balance	\$0
Projected Interest Rate	5.00%
	<hr/>
Projected/Planned Interest on Pooled Cash	\$0

Character Title: Other Financing Sources

Character No.: 653337-46

4625 OT - W/in Special Dist - BOS

The revenues supporting the payments on the long term loan from the State Revolving Fund are collected in the operations fund. This account reflects the transfer of cash from the operations fund to the this Outfall Line fund to cover the annual principal and interest payment.

Character Title: Other Charges

Character No.: 653337-75

7930 Interest on LT Debt

This account reflects the interest expense on the outstanding loan from the State Revolving Fund. Payments began on this loan in July 1995 and will continue annually until July 2014. The FY 00-01 request is based on the repayment schedule prepared by the State.

Character Title: Administrative Control Account

Character No.: 653337-92

9210 Advances

This account reflects the principal payments on a long term (20 year) loan issued to the District in 1994 from the State Revolving Fund. Payments on the loan will continue until July 2014. The FY 00-01 request is based on the repayment schedule prepared by the State.

The following reflects the principal payment history to date:

Original Amount of the Loan:	\$760,992
Total FY 95-96 through FY 98-99 Principal Payments:	(119,653)
FY 99-00 Principal Payment:	<hr/> (32,578)
Outstanding Loan Amount	\$608,761

9210 Advances - Clearing

This is the clearing account for sub-object 9210, Advances.

FY 2000-01 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sonoma Valley - Glen Ellen Bonds

Character Title: Taxes

Character No.: 653345-10

1000 Prop Taxes - CY Secured

The Auditor-Controller establishes a tax rate sufficient to accumulate tax revenues necessary to make bond payments of interest and principal. The bonds were passed to fund construction of sewage facilities.

1020 Prop Taxes - CY Supplemental

The amount requested for property tax revenue is based on prior year actuals and current year estimates from the Auditor-Controller's office.

1040 Prop Taxes - CY Unsecured

The amount requested for property tax revenue is based on prior year actuals and current year estimates from the Auditor-Controller's office.

1060 Prop Taxes - PY Secured

No amount is requested since no revenue has been received in this account in recent years.

Note:

The FY 2000-01 bond payment amount (principal and interest) is \$17,450. To avoid major fluctuations in the tax rate from year to year, the tax amount budgeted and/or collected each year may not correspond exactly to the annual bond payment (P&I). Over or under collection in any single year (when compared to the bond payment for that year) merely increases or decreases the fund balance retained for this index. The Auditor's long term tax rate calculations are designed to ensure that debt service obligations are met, while retaining an appropriate level of fund balance, and minimizing unnecessary tax rate fluctuations.

Character Title: Use of Money

Character No.: 653345-17

1700 Interest on Pooled Cash

This account records interest on pooled cash held for this bond fund by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	\$8,000
Projected Interest Rate	5.00%
Projected/Planned Interest on Pooled Cash	\$400

Character Title: Intergovernmental Revenue

Character No.: 653345-20

2440 ST - HOPTR

This account records the receipt of State Home Owner's Property Tax Relief as allocated by the Auditor's Office. The claim is filed with the State based on the number of Homeowner's exemptions filed with the County.

Character: Services and Supplies

Character No.: 653345-60

6635 Fiscal Agent Fees

This account records the fee collected by the County Treasurer for acting as the fiscal agent.

FY 2000-01 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sonoma Valley - Glen Ellen Bonds

Character: Other Charges

Character No.: 653345-75

7920 Interest

This account reflects the interest expense on the outstanding general obligation bonds. The interest rate is 5%. Payments began January 1, 1977 and will continue semi-annually until July 1, 2016. The FY 00-01 request is based on the bond amortization schedule prepared at the time the bonds were sold.

7980 Depreciation

Appropriations are no longer required in this index for depreciation.

Assets were previously recorded against Index No. 679209 for CSA No. 41, Glen Ellen, so that the bond liability and the assets constructed from the bond proceeds would be in the same fund. Accordingly, depreciation was budgeted and recorded within the index for the CSA. With the movement of the Glen Ellen Bonds into the Sonoma Valley fund structure in FY 1998-99, all assets are recorded against the Sonoma Valley CSD. Depreciation is now budgeted and recorded in the Sonoma Valley Operations Fund.

Character: Administrative Controls

Character No.: 653345-92

9200 Ent - Principal

This account reflects the principal expense for general obligation bonds that were issued in 1976 to finance the local share of a wastewater collection system. Payments on the bonds will continue until September 1, 2016. The FY 00-01 request is based on the bond amortization schedule prepared at the time the bonds were sold.

The following reflects the bond principal payment history to date:

Original Amount of the General Obligation Bond Issue:	\$300,000
Total FY 77-78 through FY 98-99 Principal Payments:	(103,000)
FY 99-00 Principal Payment:	(8,000)
	<hr/>
Outstanding Bond Amount	\$189,000

9209 Ent - Principal Clearing

This is the clearing account for sub-object 9200, Ent - Principal.

FY 2000-01 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sonoma Valley CSD - 1998 Revenue Bonds

Character Title: Use of Money

Character No.: 653352-17

1700 Interest on Pooled Cash

This account records interest on pooled cash held for the District by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	\$110,000
Projected Interest Rate	5.00%
Projected/Planned Interest on Pooled Cash	\$5,500

1701 Interest Earned

Proceeds from the 98 Revenue Bonds are held by US Bank acting as trustee. Interest earnings on the proceeds are retained by the trustee and a corresponding adjustment is made at year end closing to recognize the earnings within this account. The projected interest for FY 00-01 is based on current interest rate trends and the estimated average cash on deposit with the trustee.

Character Title: Other Financing Sources

Character No.: 653352-46

4625 OT - W/in Special Dist - BOS

The revenues supporting this new revenue bond will be collected in the operations fund. This account will be used to reflect the transfer of cash from the operations fund to this revenue bond fund to cover the annual principal and interest payment.

Character Title: Services and Supplies

Character No.: 653352-60

6635 Fiscal Agent Fees

This account records the annual administrative fees from the trustee for the 1998 revenue bonds.

6640 Debt Issuance Costs

This account records the costs associated with the issuance of the 1998 revenue bonds. This is an annual expense that will be recognized throughout the life of the bonds. Although this is a non-cash transaction, appropriations are required to record the expense.

Character Title: Other Charges

Character No.: 653352-75

7920 Interest

This account reflects the interest expense on the Sonoma Valley 1998 revenue bonds per the amortization schedule prepared upon the issuance of the revenue bonds.

7923 Discount/Bonds

This account records the discount realized upon the issuance of the bonds. This will be an annual expense throughout the life of the bonds. Although this is a non-cash transaction, appropriations are required to record the expense.

FY 2000-01 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sonoma Valley CSD - 1998 Revenue Bonds

Character Title: Other Financing Uses

Character No.: 653352-86

8625 OT - Within Sp Dist - BOS

This account reflects amounts transferred to the construction fund for expenses incurred for projects eligible for funding from the proceeds of the 1998 Revenue Bonds.

Character Title: Administrative Control Account

Character No.: 653352-92

9200 Ent - Principal

This account reflects the principal expense for revenue bonds issued in early FY 98-99 to finance the Sonoma Valley CSD's planned capital program. Payments began in FY 98-99 and will continue for 25 years.

9209 Ent - Principal Clearing

This is the clearing account for sub-object 9200, Ent - Principal.

FY 2000-01 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sonoma Valley CSD - Bonds #3

Character Title: Residual Equity Transfers Out

Character No.: 653238-88

8825 RET - Within Sp Dist - BOS

Appropriations within this account will allow for the closing of the Bond Fund to the Operations Fund. This fund has been inactive since FY 95-96. The requested funds represent the estimated retained earnings balance at fiscal year end 99-00.

FY 2000-01 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation

Section: Sonoma Valley CSD - Operations

Index No.: 653105

DESCRIPTION OF FUND ACTIVITY	Actual FY 98-99	Estimated FY 99-00	Requested FY 00-01
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings Available for Budgeting (See Detailed Components Below)	\$2,894,947	\$1,943,896	\$1,458,514
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	5,533,694	6,091,040	6,025,298
Expenditures - (Decrease) retained earnings	(7,233,622)	(8,076,422)	(7,747,584)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(1,699,928)	(1,985,382)	(1,722,286)
Adjustments to Reserves/Encumbrances:			
7980 Depreciation	1,089,279	1,500,000	1,500,000
8090 Loss on Fixed Assets	13,251	-	-
Net Change in Encumbrance	(353,654)		
Net Adjustment - Increase/(Decrease) to Retained Earnings	748,876	1,500,000	1,500,000
Undesignated/Unreserved <u>ENDING</u> Retained Earnings Available for Budgeting	1,943,895	1,458,514	1,236,228
Total Increase/(Decrease) in Retained Earnings for Fiscal Year (Difference between Beginning and Ending Balance)	(\$951,052)	(\$485,382)	(\$222,286)
<u>Retained Earnings Components at Beginning of FY</u>	7/1/98	7/1/99	
Cash	\$2,992,905	\$3,082,620	
Accounts Receivable	95,328	241,630	
Other Receivables	342,761	144,218	
Accounts Payable	(188,966)	(272,105)	
Deposits from Others	(238,451)	(790,183)	
Encumbrances (PO)	0	(18,091)	
Encumbrances (Contract)	(108,630)	(444,193)	
Total Beginning Retained Earnings	\$2,894,947	\$1,943,896	

FY 2000-01 BUDGET

STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation

Section: Sonoma Valley CSD - Revenue Bonds

Index No.: 653204

DESCRIPTION OF FUND ACTIVITY	Actual FY 98-99	Estimated FY 99-00	Requested FY 00-01
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings Available for Budgeting (See Detailed Components Below)	\$28,507	\$819	\$858
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	869	39	-
Expenditures - (Decrease) retained earnings	(3,214)	-	(858)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(2,345)	39	(858)
Adjustments to Reserves/Encumbrances:			
Auditor's Adjustment - Equity Transfer to 98 Bond fund	(28,507)		
4200 Enterprise - LTD Proceeds	439,164		
9200 Enterprise Principal	(436,000)	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	(25,343)	-	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings Available for Budgeting	819	858	0
Total Increase/(Decrease) in Retained Earnings for Fiscal Year (Difference between Beginning and Ending Balance)	(\$27,688)	\$39	(\$858)
<u>Retained Earnings Components at Beginning of FY</u>	7/1/98	7/1/99	
Cash	\$28,507	\$819	
Total Beginning Retained Earnings	\$28,507	\$819	

FY 2000-01 BUDGET

STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation

Section: Sonoma Valley CSD - Bonds #3

Index No.: 653238

DESCRIPTION OF FUND ACTIVITY	Actual FY 98-99	Estimated FY 99-00	Requested FY 00-01
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	\$65	\$67	\$67
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	2	-	-
Expenditures - (Decrease) fund balance	-	-	(67)
Net Surplus or Deficit - Increase/(Decrease) to fund balance	2	-	(67)
Adjustments to Reserves/Encumbrances:			
Adjustment to Interest Earnings			
Net Adjustment - Increase/(Decrease) to Fund Balance	-	-	-
Undesignated/Unreserved <u>ENDING</u> Fund Balance			
Available for Budgeting	67	67	0
Total Increase/(Decrease) in Fund Balance for Fiscal Year (Difference between Beginning and Ending Balance)	\$2	\$0	(\$67)
<u>Fund Balance Components at Beginning of FY</u>	7/1/98	7/1/99	
Cash	\$65	\$67	
Total Beginning Fund Balance	\$65	\$67	

FY 2000-01 BUDGET

STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation

Section: Sonoma Valley CSD - Construction

Index No.: 653303

DESCRIPTION OF FUND ACTIVITY	Actual FY 98-99	Estimated FY 99-00	Requested FY 00-01
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings Available for Budgeting (See Detailed Components Below)	\$76,767	\$1,857,777	\$2,158,969
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	4,833,927	7,222,400	9,135,300
Expenditures - (Decrease) retained earnings	(5,225,835)	(7,336,281)	(11,223,300)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(391,908)	(113,881)	(2,088,000)
Adjustments to Reserves/Encumbrances:			
4200 Ent - LTD - Proceeds	-	-	-
4210 - Advances (Due from Sonoma Valley EPA Fund)	850,000	-	-
4220 Contributed Capital (Connection Fees & Eighth St. E.)	2,956,320	415,073	-
Capitalized Interest	(201,623)		
Contract Retention Payable	20,135		
Change in Encumbrances	(1,451,914)		
Net Adjustment - Increase/(Decrease) to Fund Balance	2,172,918	415,073	-
Undesignated/Unreserved <u>ENDING</u> Retained Earnings Available for Budgeting	\$1,857,777	\$2,158,969	\$70,969
Total Increase/(Decrease) in Retained Earnings for Fiscal Year (Difference between Beginning and Ending Balance)	\$1,781,010	\$301,192	(\$2,088,000)
<u>Retained Earnings Components at Beginning of FY</u>	7/1/98	7/1/99	
Cash	\$2,710,047	\$6,219,677	
Other Receivables	0	42,011	
Accounts Payable	(401,787)	(720,504)	
Encumbrances (PO)	(12,900)	(51,649)	
Encumbrances (Contract)	(2,218,593)	(3,631,758)	
Total Beginning Retained Earnings	\$76,767	\$1,857,777	

FY 2000-01 BUDGET

STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation

Section: Sonoma Valley CSD - EPA

Index No.: 653311

DESCRIPTION OF FUND ACTIVITY	Actual FY 98-99	Estimated FY 99-00	Requested FY 00-01
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	\$921,123	\$808,648	(\$41,312)
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	7,759	-	-
Expenditures - (Decrease) fund balance	-	-	-
Net Surplus or Deficit - Increase/(Decrease) to fund balance	7,759	-	-
Adjustments to Reserves/Encumbrances:			
9210 Advances	(150,000)	(850,000)	-
4220 Contributed Capital		40	
Change in Encumbrances	-		
Net Adjustment - Increase/(Decrease) to Fund Balance	(150,000)	(849,960)	-
Undesignated/Unreserved <u>ENDING</u> Fund Balance			
Available for Budgeting	\$778,882	(\$41,312)	(\$41,312)
Total Increase/(Decrease) in Fund Balance for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	(\$142,241)	(\$849,960)	\$0
<u>Fund Balance Components at Beginning of FY</u>	7/1/98	7/1/99	
Cash	\$667,284	\$554,809	
Due from Other Governments	253,839	253,839	
Accounts Payable	0	0	
Encumbrances (Contract)	0	0	
Total Beginning Fund Balance	\$921,123	\$808,648	

FY 2000-01 BUDGET

STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation

Section: Sonoma Valley CSD - Outfall Line

Index No.: 653337

DESCRIPTION OF FUND ACTIVITY	Actual FY 98-99	Estimated FY 99-00	Requested FY 00-01
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings Available for Budgeting (See Detailed Components Below)	(\$31,100)	(\$31,342)	(\$32,306)
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	49,653	49,816	50,000
Expenditures - (Decrease) retained earnings	(17,317)	(17,320)	(16,440)
Net Surplus or Deficit - Increase/(Dec) to retained earnings	32,336	32,496	33,560
Adjustments to Reserves/Encumbrances:			
9210 Advances	(31,721)	(32,578)	(33,460)
Adjustment for change in Due to Other Gov'ts	(857)	(882)	
Net Adjustment - Increase/(Decrease) to Retained Earnings	(32,578)	(33,460)	(33,460)
Undesignated/Unreserved <u>ENDING</u> Retained Earnings Available for Budgeting	(31,342)	(32,306)	(32,206)
Total Increase/(Decrease) in Retained Earnings for Fiscal Year (Difference between Beginning and Ending Balance)	(\$242)	(\$964)	\$100
<u>Retained Earnings Components at Beginning of FY</u>	7/1/98	7/1/99	
Cash	18,794	18,552	
Due to Other Governments	(31,721)	(32,578)	
Interest Payable	(18,173)	(17,316)	
Other Receivables	-	-	
Total Beginning Retained Earnings	(31,100)	(31,342)	

FY 2000-01 BUDGET

STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation

Section: Sonoma Valley - Glen Ellen Bonds

Section: 653345

DESCRIPTION OF FUND ACTIVITY	Actual FY 98-99	Estimated FY 99-00	Requested FY 00-01
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings Available for Budgeting (See Detailed Components Below)	\$4,021	\$3,782	\$10,530
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	17,011	24,798	16,510
Expenditures - (Decrease) retained earnings	(55,559)	(10,050)	(9,650)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(38,548)	14,748	6,860
Adjustments to Reserves/Encumbrances:			
Residual Equity Transfer	45,309	-	-
7980 - Depreciation	-	-	-
9200 - Enterprise Principal	(7,000)	(8,000)	(8,000)
Net Adjustment - Increase/(Decrease) to Retained Earnings	38,309	(8,000)	(8,000)
Undesignated/Unreserved <u>ENDING</u> Retained Earnings Available for Budgeting	3,782	10,530	\$9,390
Total Increase/(Decrease) in Retained Earnings for Fiscal Year (Difference between Beginning and Ending Balance)	(\$239)	\$6,748	(\$1,140)
<u>Retained Earnings Components at Beginning of FY</u>	7/1/98	7/1/99	
Cash	\$4,021	\$3,782	
Total Beginning Fund Balance	\$4,021	\$3,782	

FY 2000-01 BUDGET

STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Section: Sonoma Valley CSD - 1998 Revenue Bonds
Index No.: 653352

DESCRIPTION OF FUND ACTIVITY	Actual FY 98-99	Estimated FY 99-00	Requested FY 00-01
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings Available for Budgeting (See Detailed Components Below)	\$0	\$16,971,571	\$10,939,656
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	1,267,682	1,945,000	1,905,500
Expenditures - (Decrease) retained earnings	(4,074,568)	(7,505,957)	(9,861,259)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(2,806,886)	(5,560,957)	(7,955,759)
Adjustments to Reserves/Encumbrances:			
Auditor's Adjustments related to Bond issuance	(1,195,543)	29,042	-
9200 Enterprise - Principal		(500,000)	(500,000)
4200 Enterprise LTD Proceeds	20,974,000	-	-
Net Adjustment - Increase/(Decrease) to Retained Earnings	19,778,457	(470,958)	(500,000)
Undesignated/Unreserved <u>ENDING</u> Retained Earnings Available for Budgeting	16,971,571	10,939,656	2,483,897
Total Increase/(Decrease) in Retained Earnings for Fiscal Year (Difference between Beginning and Ending Balance)	\$16,971,571	(\$6,031,915)	(\$8,455,759)
<u>Fund Balance Components at Beginning of FY</u>	7/1/98	7/1/99	
Cash	\$0	\$108,489	
Cash with Trustee	0	17,778,329	
Matured Principal Payable	0	(500,000)	
Interest Payable	0	(415,247)	
Total Beginning Fund Balance	\$0	\$16,971,571	